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Proposed programme budget for the biennium 2008-2009

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Information and communications technology

Thirty-second report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General concerning information and communications technology as it relates to enterprise systems (A/62/510), security, disaster recovery and business continuity (A/62/477) and the status of the development of an information and communications technology governance framework (A/62/502). During its consideration of the reports, the Committee met with the Chief Information Technology Officer, the Under-Secretary-General for Management and other representatives of the Secretary-General, who provided additional information and clarification.

2. Documents A/62/510 and A/60/502 were submitted pursuant to section II of General Assembly resolution 60/283 concerning proposals submitted by the Secretary-General in his report on investing in information and communications technology (A/60/846/Add.1). The report of the Secretary-General on enterprise systems (A/62/510) contains proposals concerning an enterprise resource planning system to deal with the core financial, administrative and management operations of the Organization. It also seeks resources for the further implementation of the customer relationship management system and the enterprise content management system for managing the knowledge of the Organization.

3. The report on security, disaster recovery and business continuity (A/62/477) responds to requests made by the General Assembly in its resolutions 60/266 (section XV) and 59/276 (section XI). The proposal includes requirements for the establishment of two major centralized data centres, at the United Nations Logistics

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Base at Brindisi, Italy, and at a proposed secondary site in Valencia, Spain. It also includes proposals related to the transitioning phase of the capital master plan in New York for the transfer of the current United Nations Headquarters data centre in the DC2 building to a new facility in Long Island City.

4. The overall estimated requirements relating to the proposals for enterprise systems as well as disaster recovery and business continuity for the period from 1 January 2008 to 31 December 2009 under the regular budget and the support account for peacekeeping operations amount to $106,114,000, with an increase of 44 temporary posts for enterprise resource planning project staff, comprising 37 posts in the Professional category and 7 in the General Service category (Other level). The breakdown of resources by project and source of funds is provided in table 1.

Table 1
Proposed resource requirements

		Peacekeeping support account			
	Regular budget[a]	*1 January-30 June 2008*	*1 July 2008-31 December 2009*[b]	*Subtotal*	*Total*
Enterprise systems					
Enterprise resource planning	19 474 500	—	—	—	19 474 500
Customer relationship management	1 449 000	2 523 400	4 186 700	6 710 100	8 159 100
Enterprise content management	4 032 000	4 219 300	6 569 200	10 788 500	14 820 500
Subtotal	**24 955 500**	**6 742 700**	**10 755 900**	**17 498 600**	**42 454 100**

		Peacekeeping support account				
	Regular budget[a]	*1 July 2007-30 June 2008*	*1 July 2008-30 June 2009*	*1 July 2009-30 June 2010*	*Subtotal*	*Total*
Disaster recovery and business continuity						
Proposed site B: Valencia	11 249 400	298 700	3 917 300	5 601 500	9 817 500	21 066 900
Long Island City: equipment	10 260 200		2 565 000	199 200	2 764 200	13 024 400
North Lawn: equipment	6 811 300		1 702 800	136 900	1 839 700	8 651 000
Long Island City: construction and lease costs	18 972 000	389 100	1 518 100	38 400	1 945 600	20 917 600
Subtotal	**47 292 900**	**687 800**	**9 703 200**	**5 976 000**	**16 367 000**	**63 659 900**
Total	**72 248 400**				**33 865 600**	**106 114 000**

[a] 2008-2009 estimate, before recosting.
[b] Amount relates to the peacekeeping budget period (1 July 2008 to 30 June 2009) and the first six months of the subsequent period.

II. Enterprise systems

A. Enterprise resource planning system

5. The report of the Secretary-General outlines his view of the main objectives of the enterprise resource planning project, his analysis of the weaknesses of the Integrated Management Information System (IMIS), the need for change, the expected benefits of an enterprise resource planning system, the progress to date and the next steps to be taken. The Advisory Committee notes the intention of the Secretary-General to adopt a phased approach, with implementation scenarios based on key priorities, and the importance he attaches to a number of principles, such as limited customization of the standard software and the simplification, where possible, of working practices (A/62/510, paras. 5-25). The Secretary-General is seeking resources to establish a start-up capacity for the enterprise resource planning project. He proposes to submit a more realistic projection of the overall costs of the project once a detailed inventory of functional and technical requirements, which is under way, has been completed and priorities have been established, at the resumed sixty-second session of the General Assembly.

Project governance and organization

6. The Secretary-General's proposal for the enterprise resource planning governance framework is set out in paragraphs 35 to 38 of his report, including the composition and broad responsibilities of the project steering committee and the project team, which includes specialized working groups in functional as well as technical areas. The Advisory Committee notes that the detailed planning and execution of the project will be done by the enterprise resource planning project team, coordinated and led by a programme management office headed by a Project Director, reporting to the Chief Information Technology Officer. Institutional links with user departments during the planning and implementation of the project will be assured through advisory groups.

7. **The Advisory Committee emphasizes the need to ensure effective coordination and cooperation among the lead technology divisions as well as between them and the client departments. In this connection, the Committee underscores the importance of the leadership and accountability of the Chief Information Technology Officer (see A/62/510, para. 36). The Committee also emphasizes the importance of the commitment of the Secretary-General to this complex project.**

International Public Sector Accounting Standards

8. The Advisory Committee recalls that, in section IV of its resolution 60/283, the General Assembly approved the adoption by the United Nations of the International Public Sector Accounting Standards and that the Secretary-General had proposed their adoption as part of a system-wide adoption of the Standards by 2010 (A/60/846/Add.3, para. 22).

9. The Advisory Committee notes from the report of the Secretary-General (para. 45) that the core elements of the system are to be implemented by the end of 2010. **It would appear therefore that the Organization might not be in a position to achieve the system-wide target for the adoption of the Standards by**

2010. The Committee requests that the detailed report to be submitted to the General Assembly provide complete information on the status of the project (see para. 10 (a)).

Other observations and recommendations

10. The report to be submitted to the General Assembly at its resumed sixty-second session should contain a comprehensive proposal, setting out clearly the user needs, scope, timetable, risk analysis and strategies for mitigating risks, an implementation plan and full information on the resource requirements of the project, including for maintaining the system. The Committee requests that the report also provide:

(a) Details on the status of the project, including utilization of the resources provided during the biennium 2006-2007 for preparatory work on the International Public Sector Accounting Standards and a detailed cost study and implementation plan for the project (see resolution 60/283 and A/60/870), as well as on what has been accomplished;

(b) Further clarification of the implications and risks associated with the fast-track approach for procurement, which involves acquiring in parallel both the enterprise resource planning software and the services of a system integrator (A/62/510, para. 33);

(c) Further information on the expected contribution of the information and communications technology system to enhancing the effective and transparent use of the resources of the Organization, as well as detailed explanations and concrete examples of how it is envisaged that the proposals will enhance the effectiveness of the work of the Organization and address current deficiencies, as requested by the General Assembly (resolution 60/283, sect. II, paras. 5 (c) and (f));

(d) Further information on the rationale for determining the cost-sharing formula for funding the implementation of the enterprise resource planning system, under which 80 per cent of the costs are to be borne by the support account for peacekeeping operations and 20 per cent by the regular budget (A/62/510, para. 60);

(e) Further information on cost savings and increases in efficiency and productivity that could release resources from administrative and support activities for redeployment to substantive areas.

11. The Secretary-General is requesting authorization to establish a multi-year special account to record income and expenditures for the project. The Advisory Committee recognizes that it is essential to keep track of project costs. **However, it is not in favour of yet another multi-year account. In this regard, it requests that the Secretary-General ensure efficient utilization and transparent reporting on the project costs without having recourse to a multi-year account.**

Recommendations on resources

12. The Advisory Committee recognizes the need for a dedicated capacity to support the implementation of the enterprise resource planning project. A total of 44 temporary posts are requested for the project team, of which some are required immediately to finalize the project proposal, with the rest required to support project implementation. The list of functions enumerated in paragraph 52 of the report of

the Secretary-General does not distinguish between the activities of the preparatory phase and those related to project implementation.

13. The full staffing requirements for the project are to be submitted in the context of the forthcoming detailed report. The Advisory Committee considers that, at this stage, the Secretary-General should be provided with sufficient resources to create a core team for project start-up so as to support the preparatory tasks or project activities that need to be performed until the detailed proposals are submitted and considered. **The Committee therefore recommends that the temporary post for a Project Director at the D-2 level be approved and that the Secretary-General be authorized to establish 15 further temporary posts, to be distributed in accordance with the priorities of the planning stage.** The Committee also believes that the Secretary-General should draw upon existing resources from the information and communications technology teams of the departments that are involved in the project, in particular, the Department of Management and the Department of Field Support, as well as the offices away from Headquarters, with a view to developing and strengthening in-house expertise, under the authority of the Chief Information Technology Officer.

14. As indicated in paragraph 59 of the report, non-post requirements amounting to $7,029,700, before recosting, are proposed for the biennium 2008-2009, comprising operational provisions for the project team covering contractual services, consultants, travel, general operating expenses, supplies and furniture and equipment. General temporary assistance provisions are also included for acquisition activities and procurement-related issues, research and development of appropriate contracting models for the software, integration services and other associated contractual arrangements. (see also A/62/510, table 1). **The Committee recommends acceptance of the proposals for non-post requirements, adjusted to take into account its recommendations on temporary posts in paragraph 13 above.**

B. Customer relationship management

15. From the information provided in annex II to the report of the Secretary-General, it appears that the software for the customer relationship management system has been acquired and that implementation is under way in the offices and units that are the central providers of information and communications technology services at Headquarters, namely in the Department of Management and the Department of Field Support. The implementation of similar services is envisaged in the offices away from Headquarters. The Advisory Committee notes that the Secretary-General intends to request additional resources for implementation in the offices away from Headquarters in the context of the next progress report to be submitted to the General Assembly at its resumed sixty-second session. It is further envisaged to adapt the system for the management of military and police capacity in field missions and automated telephone billing in peacekeeping missions. The Committee understands that once the projects are developed, the additional costs for their deployment in other duty stations or offices are related mainly to licences for new users, since the system is deployed centrally from the United Nations Logistics Base.

16. Upon enquiry, the Advisory Committee was provided with additional information, summarized in table 2, on the estimates of the total costs of the customer relationship management system during the biennium 2006-2007. These estimates reflect provisions utilized for the system from overall approved provisions for information and communications technology. No resources were approved for customer relationship management for prior bienniums.

Table 2
Costs of the customer relationship management system, 2006-2007

Category	*Peacekeeping support account*	*Regular budget*	*Total*
General temporary assistance	—	52 163	52 163
Consultants	42 642	94 343	136 985
Software	97 900	1 402 540	1 500 440
Travel	1 846	—	1 846
Maintenance	—	226 997	226 997
Training	5 918	28 750	34 668
Total	**148 306**	**1 804 793**	**1 953 099**

17. Additional resources in the amount of $1,449,000 (before recosting) are requested under the regular budget for the biennium 2008-2009 for relationship management projects relating to Member States, both at Headquarters and in the field, to be developed jointly by the Economic and Social Commission for Asia and the Pacific and Headquarters. **The Advisory Committee recommends approval of this proposal. It also recommends that any potential for the absorption of these additional resources be explored after approval of the programme budget for the biennium 2008-2009.**

18. It is proposed that additional applications of the customer relationship management system be developed for peacekeeping operations, to be funded from the support account for peacekeeping operations. Total additional resources in the amount of $6,710,100 would be required for the period from 1 January 2008 to 31 December 2009, including $3,626,000 for the management of troop contributions and $3,083,200 for the automated billing of telecommunications services.

19. Upon enquiry, the Advisory Committee was informed that of the total amount of $6,710,100 required for the implementation of the customer relationship management system, it is proposed that $2,523,400 be funded from within the approved budget of the support account for peacekeeping operations for the period from 1 July 2007 to 30 June 2008 that a report be submitted to the General Assembly in the context of the performance report on the support account for that period. **The Committee recommends acceptance of this proposal.**

20. The Secretary-General indicates that the remaining amount of $4,186,700 would the requested under subsequent support account budget proposals. The Advisory Committee will consider further requirements in the context of the budget proposal for the support account for 2008/09.

C. Enterprise content management

21. The Advisory Committee emphasizes the need for a detailed proposal concerning the enterprise content management system. The information provided in paragraphs 70 to 73 of the report of the Secretary-General gives an indication of the scope and complexity of the system, which contains many elements, including the Official Document System (ODS), records management and knowledge-sharing. It is stated that the enterprise content management system is the counterpart of the enterprise resource planning system for the substantive areas of the Organization, dealing with information as opposed to resources. Moreover, the enterprise content management system would be deployed over many years, have an impact on most staff and require considerable investment.

22. The Advisory Committee understands that the enterprise content management software has already been selected and that the initial priority areas for implementation have been identified, including: (a) the migration of ODS and the United Nations Internet site; (b) collaboration capabilities that involve the secure, web-based exchange of documents and ideas to support Member States and delegations in their consultative processes; (c) a peacekeeping reporting process for the automation of document workflows related to the observation and reporting activities undertaken in field missions; (d) a central repository for institutional knowledge that can be shared by staff in the field through a peace operation's Intranet; and (e) overall enterprise content management governance to ensure coordination and the maintenance of standards.

23. Upon request, the Advisory Committee was provided with additional information on the expenditures incurred during the biennium 2006-2007 in relation to the enterprise content management system, under the regular budget. This includes $2,982,919 for licences, $749,081 for the maintenance of the system and $975,000 for professional services.

24. The total resource requirements for the biennium 2008-2009 requested by priority area under the regular budget and the support account are set out in table 4 of the report of the Secretary-General, amounting to $4,032,000 under the regular budget. **The Advisory Committee recommends approval of this proposal. It also recommends that any potential for the absorption of these additional resources be explored after approval of the programme budget for the biennium 2008-2009.**

25. A further $10,788,500 is required under the support account, of which $4,219,300 is requested from within the approved support account budget for the period 2007/08. The remaining amount of $6,569,200 would need to be funded under subsequent peacekeeping support account budgets. Upon enquiry, the Advisory Committee was informed that the approved support account budget for the period 2007/08 did not include specific provisions for the implementation of enterprise content management, but that it was anticipated that the amount of $4,219,300 requested could be absorbed from within the approved resources and would be reported to the General Assembly in the context of the related performance report. **The Committee recommends acceptance of the proposal concerning the requirements in the amount of $4,219,300 to be absorbed from the approved support account budget for the period ending 30 June 2008.** It will consider the

remaining proposals in the context of the budget proposal for the support account for 2008/09.

26. The Advisory Committee notes that the proposals for cost-sharing between the regular budget and the support account, outlined in paragraph 74 of the report, are based on the nature of the priority areas to be covered. Funding for ODS and the United Nations website would be borne by the regular budget, while the costs of the other projects, which relate exclusively to peacekeeping operations, would be requested under the support account.

General remarks concerning the customer relationship management and enterprise content management systems

27. **In the view of the Advisory Committee, such enterprise systems should be developed and implemented under the authority of the Chief Information Technology Officer. This is essential to ensure a coordinated approach to the development of enterprise systems.**

28. The Advisory Committee recalls that in its consideration of the budget proposals of the Department for General Assembly Affairs and Conference Management for 2008-2009, it had emphasized the need to ensure compatibility between the customer relationship management and enterprise content management systems with the forthcoming enterprise resource planning system (A/62/7, para. I.42).

29. **The positive resource recommendations on the customer relationship management and enterprise content management projects reflect the desire of the Advisory Committee not to impede the successful implementation of projects that are in progress and for which significant expenditure has already been incurred. It points out, however, that it would have been appropriate for the Secretary-General, at the time of the inception of these projects, to make a full proposal. As these projects are now in midstream, the Committee recommends that the General Assembly request the Secretary-General to report on their status in the first performance report on the programme budget for the biennium 2008-2009, including the benefits they will provide for the Organization, methods for assessing their effectiveness, their full cost and the measures necessary to complete and maintain the systems and to realize their potential benefits.**

D. Conclusion

30. The actions to be taken by the General Assembly in relation to the proposals concerning enterprise systems are set out in paragraphs 81 to 84 of the report of the Secretary-General. **The Advisory Committee recommends that the General Assembly approve the approach described in the report for the replacement of IMIS and related ancillary systems in all offices of the Secretariat, including offices away from Headquarters, regional commissions, peacekeeping and political missions and other field missions. The Committee recommends that the resources requested for the implementation of the enterprise systems under the proposed programme budget for the biennium 2008-2009 and the approved support account budget for the period 2007/08 be adjusted to take into account its recommendations in paragraphs 13, 14, 17, 19, 24 and 25 above. The**

Committee requests that the adjusted amount be provided to the General Assembly at the time of its consideration of this question.

III. Disaster recovery and business continuity

31. The Advisory Committee notes that the report of the Secretary-General (A/62/477) contains two sets of proposals. In the first part of the report, the Secretary-General presents proposals for a global operational framework for information and communications technology infrastructure, which addresses the technical study on security, business continuity and disaster recovery, including detailed costing and a timetable (resolution 59/276, sect. XI, para. 47), and the proposals for disaster recovery and business continuity in peacekeeping missions (resolution 60/266, sect. XV) and provides an analysis of infrastructure improvements linked to the implementation of enterprise resource planning undertaken pursuant to resolution 60/283 (sect. II). This global operational framework would ensure disaster recovery and business continuity for information and telecommunications systems at Headquarters, offices away from Headquarters and field missions through the establishment of a major centralized data centre at the United Nations Logistics Base and one at a proposed secondary site in Valencia (A/62/477, paras. 62 and 63).

32. In the second part of the report, the Secretary-General makes proposals for a separate initiative related to the transitioning phase of the capital master plan in New York, for the transfer of the current United Nations Headquarters data centre in the Secretariat building to a North Lawn facility and the current secondary data centre in the DC2 building to a new facility in Long Island City. Under the capital master plan, the DC2 facility, which has limited capacity and weak technical infrastructure, was to function as a primary data centre. The current proposal would limit risks and ensure continuity under the capital master plan. In this connection, the Advisory Committee notes with interest that discussions on possible cooperative arrangements for a multi-agency joint operation at the Long Island City location are in progress with the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Joint Staff Pension Fund.

33. As noted above (para. 10), the Secretary-General will submit to the General Assembly a detailed report on the implementation of the enterprise resource planning at its resumed sixty-second session. **The Advisory Committee will revert to the first part of the Secretary-General's proposals regarding the global operational framework and the requirements for the data centres at the United Nations Logistics Base and the proposed secondary site in Valencia in that context.** The Committee notes the generous offer of the Government of Spain in this regard (see A/62/477, para. 63).

34. The imminent implementation of the capital master plan requires immediate action regarding the data centres at United Nations Headquarters. With respect to the second part of the Secretary-General's proposals, related to the transitioning phase of the capital master plan, the Advisory Committee recommends the following:

(a) **That the Secretary-General be authorized to proceed with the implementation of the North Lawn facility and that the resources requested for**

this purpose be approved. This includes $6,811,300 under the regular budget for the biennium 2008-2009 and an additional requirement, not exceeding $389,100, towards its share of the design and rental costs of the North Lawn and Long Island City data centres, to be prorated from within the already approved resources of individual peacekeeping operations for the period from 1 July 2007 to 30 June 2008;

(b) That the Secretary-General be requested to pursue his discussions with UNICEF, UNDP, UNFPA and the United Nations Joint Staff Pension Fund with a view to concluding an agreement on cooperative arrangements for a multi-agency joint operation at the Long Island City site and to report on progress made in this regard at the resumed sixty-second session of the General Assembly. The Committee will revert to these proposals in the context of its consideration of the detailed report on the implementation of the enterprise resource planning system.

The Committee recommends that the resources requested for business continuity and disaster recovery under the proposed programme budget for the biennium 2008-2009 and the approved support account budget for the period 2007/08 be adjusted to take into account its recommendations above. It requests that the adjusted amount be provided to the Assembly at the time of its consideration of this item.

IV. Information and communications technology governance

35. The Advisory Committee notes that the report of the Secretary-General (A/62/502) is submitted on the basis of the work of the Chief Information Technology Officer, who took up his duties in late August 2007, and that it provides interim information on the status of the development of an information and communications technology governance framework for the United Nations Secretariat worldwide. The Committee was informed that the Chief Information Technology Officer, along with other key senior officials, had undertaken comprehensive consultations with a view to developing the vision, strategy, high-level programme and governance framework for information and communications technology at the United Nations, which will be submitted to the General Assembly at the second part of its resumed sixty-second session.

36. The Advisory Committee considers that a serious gap in this interim report is the absence of a clear statement of the responsibility and authority of the Chief Information Technology Officer in the Secretariat, as well as the measures to put them into effect. In its report (A/60/870, para. 14) on the Secretary-General's detailed reform proposals set out in the documents entitled "Investing for a stronger Organization worldwide" (A/60/846 and Add.1-4), the Committee had recommended "**the creation of a post of Chief Information Technology Officer at the Assistant Secretary-General level through redeployment, on the understanding that the incumbent would head an office which would integrate the Information Technology Services of the Department of Management and the Communication and Information Technology Service of the Department of Peacekeeping Operations and provide Secretariat-wide leadership, including for the information technology functions of offices away from Headquarters**". **The Committee reaffirms this recommendation and considers it essential that**

the Chief Information Technology Officer have clear authority over the resources of the Information Technology Services of the Department of Management and the Communication and Information Technology Service of the Department of Peacekeeping Operations.

37. **On a related matter, the Advisory Committee emphasizes the importance of coordination among the organizations of the United Nations system, within in the framework of the United Nations System Chief Executives Board for Coordination (CEB). It encourages the Secretary-General, as Chairman of CEB, to foster deeper coordination and collaboration between the United Nations organizations in all matters related to information and communications technology. Particular attention should be paid to maximizing exchanges and synergies among the organizations regarding their ongoing enterprise resource planning initiatives and to exploring all possibilities for convergence towards the adoption of common solutions, procedures and standards.**

38. It is proposed to constitute an interim support team reporting directly to the Chief Information Technology Officer for the period from January to June 2008 (A/62/502, paras. 19-22). The team would comprise four Professional positions (1 D-1, 2 P-5, 1 P-4) and one General Service position to be funded from general temporary assistance in the amount of $421,000 (before recosting). The associated operational costs for office accommodation, commercial communications, supplies, furniture and equipment for the five positions amount to $194,200 (before recosting). A further $234,700 (before recosting) is requested under consultants and experts and $75,000 under travel.

39. The Advisory Committee notes that both the Department of Management and the Department of Field Support are assisting the Chief Information Technology Officer by providing a limited level of temporary staff and other resources. The Committee is of the view that the Chief Information Technology Officer should have the authority to draw upon the resources of those departments, as required. **However, during the interim period until a new information and communications technology governance structure is adopted, the Committee recommends approval of the resources requested in the amount of $925,400 (before recosting), as a charge against the contingency fund.**

Documentation

Report of the Secretary-General on information and communications technology security, disaster recovery and business continuity for the United Nations (A/62/477)

Report of the Secretary-General on investing in information and communications technology: status report (A/62/502)

Report of the Secretary-General on information and communications technology: enterprise systems for the United Nations Secretariat worldwide (A/62/510)

General Assembly resolutions 60/283, 60/266 and 59/276